

STATE OF INDIANA



INDIANA UTILITY REGULATORY COMMISSION
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APR 06 2005

INDIANA UTILITY
REGULATORY COMMISSION

CAUSE NO. 38708-FAC 66

APPLICATION OF SOUTHERN INDIANA GAS AND)
ELECTRIC COMPANY D/B/A VECTREN ENERGY)
DELIVERY OF INDIANA, INC. (VECTREN SOUTH))
FOR APPROVAL OF A CHANGE IN ITS FUEL)
COST ADJUSTMENT FOR ELECTRIC SERVICE)
IN ACCORDANCE WITH THE ORDER OF THE)
COMMISSION IN CAUSE NO. 37712 EFFECTIVE)
JUNE 18, 1986 AND SENATE BILL NO. 529)
EFFECTIVE APRIL 11, 1979)

You are hereby notified that on this date the Indiana Utility Regulatory Commission ("Commission") has caused the following entry to be made:

The Presiding Officer now finds that SIGECO should file written responses to the following questions by April 11, 2005:

An analysis of OUCC Schedule D reveals a step change in the weighted quarterly 'Steam Generation' fuel cost rate between the January – March 2003 quarter (11.244 mills/KWh) and the April – June 2003 quarter (12.640 mills/KWh). Further analysis of trend lines of the steam generation fuel cost rate presented in OUCC Schedule D reveals a marked increase in the escalation of weighted quarterly 'Steam Generation' fuel cost rates between the period January 2000 – March 2003 (slope of 0.0727) and the period April 2003 – December 2004 (slope of 0.2464). Please explain:

- a. the step change in fuel cost rate between the two quarters discussed above;
- b. the change in the rate of 'Steam Generation' fuel cost rate escalation between the two multi-quarter periods discussed above;
- c. the continued escalation of the 'Steam Generation' fuel cost rate during the period April 2003 – December 2004;
- d. steps SIGECO has taken to mitigate 'Steam Generation' fuel cost rate increases.

IT IS SO ORDERED.


Abby R. Gray, Administrative Law Judge

Date April 6, 2005